

CHAPTER III EMERGENCY MAINTENANCE PROJECTS

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PURPOSE:

The purpose of this procedure is to provide direction for agencies and institutions of higher education (agencies) to apply for Emergency Maintenance Funds.

DEFINITIONS:

Emergency Maintenance Project - An appropriation made to the Department of Personnel and Administration, State Buildings Programs (SBP), to meet emergency maintenance situations that pose a threat to the public health, welfare, or safety.

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

If an emergency arises (i.e., broken water pipe, boiler failure, etc.) and the expense is anticipated to be over \$5,000, the agency must do the following to obtain funds:

Immediate emergencies:

- Obtain a verbal approval from the Director of SBP (a voice mail or email message to the Director will be acceptable if all pertinent information is provided regarding the nature of the emergency situation) (refer to Exhibit A for telephone addresses, email addresses and address for SBP);
- Follow procedures in Fiscal Rule 2-2 to notify agency chief financial officer and State Controller in a written report of the circumstances and the nature and value of the commitments;
- Retain original receipts for reimbursement;
- Prepare the Emergency Project Questionnaire (Exhibit B) and Emergency Project Budget (Exhibit B-1) and send to SBP.

Imminent emergencies:

- Contact SBP via telephone or email message;
- Complete an Emergency Project Questionnaire and Emergency Project Budget (see Exhibit “B” and “B-1” of this Chapter);
- Attach a proposal from the contractor/vendor; and
- Mail, or email the Questionnaire, photos (if possible) and Budget to SBP.

SBP will review the Questionnaire/Budget and may request additional information. If SBP approves the Emergency Project, they will:

- Assign a project number.
- Create an SC-4.1 form to set-up the project with the signature of the Director of SBP and a transmittal memorandum.
- Forward the memorandum and SC-4.1 form to Department of Personnel and Administration, Financial Services Section, to establish the Emergency Maintenance Project.
- Forward a copy of the memorandum, Emergency Project Questionnaire and Emergency Project Budget to the State Office of Risk Management to process an insurance claim. Insurance claims will not be possible in all cases due to age of the roof, chiller, boiler, etc.

When the Emergency Maintenance Project has been established, a copy of the SC-4.1 and confirmation memo (see Exhibit "C" of this Chapter) will be sent to the agency.

Transfer of Controlled Maintenance Funds to Establish Emergency Maintenance Projects

Controlled Maintenance funds can be transferred to establish an Emergency Maintenance Project (CRS 24-30-1303.7). The agency must do the following to transfer funds:

- ♦ Complete the Emergency Project Questionnaire and Emergency Project Budget;
- ♦ Complete an SC-4.1 form to decrease the Controlled Maintenance Project; (**Note: Only the Director of SBP can sign for SBP in the appropriate signature block**);
- ♦ Enter an "AP" transaction to decrease the Controlled Maintenance Project; and
- ♦ Send the packet to SBP along with a memo that explains why funds are available in the controlled maintenance and can be transferred to establish an emergency project. The Director of SBP will sign the SC-4.1 if the transferred is approved.

SBP will review the packet and may request additional information. If SBP approves the Emergency Maintenance Project, they will:

- ♦ Assign a project number.
- ♦ Create an SC-4.1 form to transfer the controlled maintenance funds to the new emergency project and set-up the project with the signature of the Director of SBP and a memorandum of instructions for processing purchase orders, contracts and invoices.
- ♦ Forward memorandum, Emergency Maintenance Project SC-4.1, Controlled Maintenance Project funds transfer SC-4.1, and AP decreasing the Controlled Maintenance project to Department of Personnel and Administration, Division of Administrative Services to establish the Emergency Maintenance Project.
- ♦ Forward a copy of the memorandum, Emergency Project Questionnaire and Emergency Project Budget to the State Office of Risk Management to process an insurance claim. Insurance claims will not be possible in all cases due to age of the roof, chiller, boiler, etc.
- ♦ Email a copy of the memorandum of instructions and approved SC-4.1 to agency as confirmation of approval of the emergency project.

When the Emergency Maintenance Project has been established, a copy of the SC 4.1 and confirmation memorandum will be sent to the agency. The State Controller's Office will return the Controlled Maintenance Project funds transfer SC 4.1 to the agency.

When the controlled maintenance funds are transferred to establish the Emergency Maintenance Project, the funds are controlled and disbursed by Department of Personnel and Administration, and will be processed like all other Emergency Maintenance Projects. Upon completion of the project, any remaining funds will be returned to the original Controlled Maintenance project through SBP

Emergency Maintenance Projects are established within Department of Personnel and Administration; and, therefore, controlled by them. All contracts, purchase orders and payments must be approved and processed through the SBP to be encumbered and paid by Department of Personnel and Administration, from emergency funds.

Emergency Maintenance Projects Covered by Insurance

If a state agency files a claim with the State Office of Risk Management for insurance reimbursement on an Emergency Maintenance Project, the state agency must contact SBP and inform them of the project or account number assigned by the agency to the emergency project for and to the emergency situation and given to the State Office of Risk Management. All insurance proceeds must be reimbursed to the Emergency Fund.

SECTION 1
PREPARING A PURCHASE ORDER
FOR AN EMERGENCY PROJECT

PURPOSE:

It is necessary to record purchase orders for commitments of \$5,000 or more per State Fiscal Rule 2-2.01.

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

Amounts can be committed by a State Agency for issuing purchase orders for the following:

- ♦ Equipment, materials, and supplies.
- ♦ Purchase orders containing labor equal to or less than \$25,000 without prior approval from State Buildings Programs or a qualified architect/engineer.
- ♦ Purchase orders containing labor equal to or less than \$100,000 with review and approval by State Buildings Programs or a qualified architect/engineer.
- ♦ All purchase orders and contracts containing personal services must be reviewed by the Department of Personnel's Privatization Program unless a waiver has been issued from the Department of Personnel and granted to your agency to cover the emergency procurement.

PROCEDURAL STEPS:

The focus of the steps in this section is to discuss the processing of purchase orders.

- Step 1:** State Agency creates a purchase order from within the State Agency or from the Division of Purchasing. NOTE: Because the funds are within Department of Personnel and Administration, the purchase order will need to be hand typed, agency cannot enter it into the CORE (accounting) system.
- Step 2:** Reference the Emergency Maintenance Project number and agency's three-letter CORE code (i.e., AEA) on the purchase order.
- Step 3:** Forward the purchase order with a memo of the contact name, return address or fax number to State Buildings Programs for verification that the purchase is within the scope of the project. After State Buildings Programs approves the purchase order, it will be forwarded to Department of Personnel and Administration.
- Step 4:** Department of Personnel and Administration will enter a PO transaction into the CORE system to encumber the funds against the Emergency Maintenance Project and approve the transaction.
- Step 5:** Once the encumbrance is accepted, Department of Personnel and Administration will generate a screen print and mail or fax it to the State Agency.

SECTION 2
PREPARING A CONTRACT
FOR AN EMERGENCY PROJECT

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

All contracts, amendments, supplements, and change orders must be forwarded to State Buildings Programs for approval.

Four originals of contracts, amendments, supplements, and change orders must be submitted for approval and signature by SBP, the State Controller's Office and the Attorney General's Office (if high risk).

NOTE: Delegation from State Buildings Programs, the Attorney General's or State Controller's Offices **does not apply on Emergency Projects. Do not sign for State Buildings Programs, the Attorney General or the State Controller.** However, contracts, amendments, supplements, and change orders must be signed by the Principal Representative to commit the State Agency to the project.

PROCEDURAL FOCUS:

A contract, amendment, supplement or change order submitted to State Buildings Program for approval must:

- ♦ Have all vendor and State Agency signatures (i.e. the Principal Representative) affixed to the contract, amendment, supplement or change order. Forward the signed contract, amendment, supplement or change order to State Buildings Programs for signature and approval.
- ♦ State Buildings Programs will forward the signed contract, amendment, supplement or change order to Department of Personnel and Administration.

The method of preparing for or meeting each requirement is described as a step in the following procedure step section.

PROCEDURAL STEPS:

- Step 1:** Forward signed contract, amendment, supplement, or change order with a memo that includes agency contact, telephone number and fax number to State Buildings Programs for approval and signature by State Buildings Programs.
- Step 3:** State Buildings Programs will enter into CMS then forward the contract, amendment, supplement or change order to Department of Personnel and Administration to enter into CORE to encumber the funds and forward to next signature authority.
- Step 4:** When contract, amendment, supplement or change order has been fully executed, the DPA Delegate for the State Controller's Office will return the executed contract, amendment, supplement or change order to Department of Personnel and Administration. Department of Personnel and Administration will maintain a copy and forward remaining copies and attachments to State Buildings Programs for distribution.

SECTION 3
PREPARING A VENDOR PAYMENT
FOR AN EMERGENCY PROJECT

PURPOSE:

The purpose of this procedure is to assist State Agency personnel in the preparation and documentation of payment vouchers for Emergency Maintenance Projects.

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

Emergency Maintenance Project payments can only be paid from the emergency maintenance fund. Agencies are not authorized to enter payments into the CORE system since the money is controlled by Department of Personnel and Administration.

Vendor Federal Identification Numbers must be established for all payments made from the emergency maintenance fund. The State Agency will reference the vendor's Federal Identification Number on all payments submitted for payment.

PROCEDURAL STEPS:

- Step 1:** Receive documentation in the form of invoices, applications for payment, or certificate for contractor's payment. Review the documentation for approval.
- Step 2:** An original vendor invoice, architect/engineer application, or certificate for contractor's payment plus one copy must be forwarded to State Buildings Programs. Agency personnel are required to sign the purchase order, indicate it is acceptable to pay, and date it.
- Step 3:** After State Buildings Programs reviews documentation, they will forward the original(s) to Department of Personnel and Administration for entry into the CORE system.
- Step 4:** A warrant will be issued and mailed to the vendor by Department of Personnel and Administration.
- NOTE:** If the State Agency wants a copy of the payment voucher, they need to state that in a memorandum and give a return address and contact name. If this is a final payment and the project is complete, the State Agency will need to fill out a Project Completion form (see section on Project Completion).

SECTION 4
EMERGENCY PROJECT COMPLETION

State Buildings Programs has determined that six months is sufficient time to complete and close out an emergency project. If there are extenuating circumstances, the State Agency needs to send a letter to State Buildings Programs requesting a waiver of the six month rule, explaining the reason for the delay and projecting a completion date.

When a project is complete, the agency must:

- ♦ Prepare "Project Completion" form (see Exhibit "D" of this Chapter).
- ♦ Send the original and one copy to State Buildings Program.

State Buildings Programs will return any remaining funds to the main Emergency Fund.

SECTION 5
CAPITALIZATION OF EMERGENCY MAINTENANCE PROJECTS

At the fiscal year end, Department of Personnel and Administration will create a report using Excel software to record all Emergency Maintenance Projects. Emergency Maintenance Projects that are ongoing (incomplete) will be recorded on Department of Personnel and Administration books in the CORE system as Construction in Progress. Emergency Maintenance Projects that are complete and under \$50,000 are reported to the State Controller's Office through the Statewide Cost Allocation Plan (SWCAP). The cost of the project is billed back to the State Agency. Emergency Maintenance Projects that are complete and over \$50,000 are reported to the State Agency to capitalize on their books.

EXHIBIT A
Contact Listing

Project Information

State Buildings Programs
1525 Sherman Street, Room 112
Denver CO 80203
Contact: Larry Friedberg, Director
Phone # 303/866-3079 Email address: larry.friedberg@state.co.us
Administrator: Randi Nusser
Phone # 303/866-3158 Email address: randi.nusser@state.co.us

Encumbrance/Payment Information

Department of Personnel and Administration
1525 Sherman Street, 5th Floor
Denver CO 80202
Phone # 303/866-6544
Fax # 303/866-4374
Contact: Sue Brooks

EXHIBIT B
Emergency Project Questionnaire

DATE _____

1. Provide a thorough description of the problem and include the location. Identify building(s) by name and Risk Management number.
2. To the best of your knowledge, when did the problem begin and to what extent has it worsened?
3. Does the problem pose any immediate health or safety hazards? Please explain:
4. Please provide an approximate cost to repair the problem now versus waiting and repairing at a later date. (**NOTE:** \$5,000 minimum).
5. To what extent is the problem disrupting operations, causing damage or deterioration and/or causing financial loss to the State of Colorado?
6. Please provide any additional information that might qualify this problem for emergency funding:
7. List all capital construction, controlled maintenance, and emergency projects that have been funded in the last eight years in this building(s) or area of facility if infrastructure. List project number, appropriation amount, description of project and date funded.
8. Please contact The Office of State Risk Management or appropriate entity to determine if this project is eligible for insurance reimbursement. When was contact made, was claim determined to be appropriate and if yes please provide claim number?
9. Is this facility listed on the national, state or local registers of historic places? Yes ☐ No ☐

If yes, have you contacted the State Historical Fund to determine eligibility for an Emergency Grant?

Attach photographs and floor and/or site plans and provide citations to indicate location and to support this request.

Agency Contact: _____
Phone #: _____
Fax #: _____

State Agency Name: _____
Date Prepared: _____

*EXHIBIT B-1
Emergency Project Budget*

Agency: _____

Project Title: _____

Total Amount Requested \$ _____

Budget Request

I Professional Services

A. Site Surveys, Investigations, Reports	\$ _____	
B. Architectural/Engineering Services	\$ _____	
C. Code Review/Inspection	\$ _____	
D. Construction Management	\$ _____	
E. Advertisements	\$ _____	
E. Other	\$ _____	\$ _____ 0.00

II. Construction or Improvement

A. Infrastructure		
Utilities Services	\$ _____	
Site Improvements	\$ _____	
B. Structure/Systems/Components	\$ _____	
C. Other (explain)	\$ _____	\$ _____ 0.00

III. Project Contingencies (10%) \$ _____

IV. Equipment \$ _____

V. Other \$ _____

VI. TOTAL **\$ 0.00**

ATTACH CONTRACTOR'S PROPOSAL, ARCHITECT/ENGINEER'S COST ESTIMATE, ETC., TO JUSTIFY THE BUDGET REQUEST.



**STATE OF COLORADO
OFFICE OF THE STATE ARCHITECT
STATE BUILDINGS PROGRAMS**

**Exhibit C
EMERGENCY PROJECT INITIATION MEMO**

Date

TO:

CC: Sue Brooks, DPA Accountant
Nick Witkowski, DPA Insurance and Safety Specialist

FROM: Randi Nusser, DPA Emergency Project Coordinator

PROJECT: **Number:** EM-
Name:
Total Appropriation: \$

The emergency project has been approved. A copy of the project documents (signed SC-4.1, Exhibit B, Exhibit B-1, and Exhibit D) are enclosed for your file.

Please follow these instructions to request payment of invoices. **Please give a copy of this memo and the attachments to the individual who will be responsible for approving invoices in your agency.**

State Buildings Programs requires the completion of emergency projects within six months from the date of the authorizing signature on the initial SC 4.1. It is necessary to notify State Buildings Programs in writing if the project will not be completed by **March 7, 2015** and to request a waiver for the additional time required to complete the project. If we have not heard from you by that date, the remaining funds will be reverted from the project account to the general emergency fund.

1. Fiscal Rule 3.1.03 requires a Architect/Engineer Agreement (SC-5.1) or Consultant Agreement for professional services—**purchase orders are not acceptable for professional services.** Professional services are services procured from architects, engineers, industrial hygienists, land surveyors and landscape architects.
2. Purchase orders:
 - are required if the cost is between \$5,000 and \$100,000
 - can be used in lieu of a contract for construction up to \$100,000
 - cannot be used when construction costs exceed \$100,000 unless a waiver is issued by the State Controller's Office
 - are required for labor, material or labor and material combined
 - require the signatures of an authorized signer of the agency, the contract/vendor and State Buildings Programs to satisfy the requirement of a bi-lateral agreement (Fiscal Rule 4-1). Larry Friedberg or Carol Lewis will sign for State Buildings Programs for emergency projects.

Prepare a purchase order and send the original purchase order or a scan of the purchase order to the contractor/vendor for signature. Forward the original purchase order or scan of the purchase order, **along with a copy of the proposal as backup**, to State Buildings Programs for signature. If an original purchase order is sent to State Buildings Programs, it will be returned to the agency after it is signed by State Buildings Programs.

3. Contracts are required when the cost is \$100,000 or more. Labor and Material and Performance Bonds are required if the cost is \$150,000 or more according to C.R.S. §24-105-202. **Bonds are also required if a waiver was issued to use a purchase order in lieu of a contract. It is highly recommended agencies require bonds if the cost of the work is close to or may exceed \$100,000 to satisfy the statutory requirement.**
4. According to Alert #106 established by the State Controller's Office, certain expenses, i.e., travel, postage, telephone and fax, and printing and reproduction, cannot be paid from capital construction or controlled maintenance projects. These items are to be paid from the agency/institution's operating budgets.
5. Prepare four original contracts and obtain the signature of the contractor or professional service firm. **Do not sign the contract for State Buildings Programs even if your agency is delegated and do not obtain the signatures of individuals delegated to sign for the attorney general's office or the state controller's office. Obtain the signature of your principal representative on the contract.** Contracts will be entered into CMS for tracking and CORE to encumber the funds and will be executed by State Buildings Programs, DPA's Delegated Controller's Office, and two originally executed contracts will be returned to your agency. **Please do not enter your controller's information in place of the DPA's Delegated Controller. Please insert "Tanya Olsen, DPA Controller" for the signer.**
6. Send all **ORIGINAL** invoices to the Office of the State Architect (OSA) for approval. Sign your name directly on the invoice and date each invoice. If an original invoice is not available, a photocopy of the invoice with the statement "original invoice lost, please pay from copy" written in red ink will be acceptable. Insert your agency's three-letter identification code on all invoices.
7. OSA will send approved invoices to Sue Brooks and she will send payments to vendors within 3-5 days.

If you have any accounting questions regarding this project, please call Sue Brooks at 303-866-6544 or if you have any general project questions call Randi Nusser at 303-866-3158.

Thank you.

Attachments:
Project Documents

EXHIBIT D
Memo for Project Completion
(attach to final Project Invoice)

State Buildings Programs
1525 Sherman Street, Room 112
Denver CO 80203

Notification of Completion of Emergency Project.

Project Name	_____
Project Number	_____
Appropriation Code	_____
Fund/State Agency	_____
Total Appropriation	_____
Total Expenditures	_____
Project Balance	_____

Signature: _____

Title: _____

Date: _____

Do not write below this line

For State Buildings Programs' use only:

Project Start Date: _____

Project Completion Date: _____